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UNCLAS SECTION 01 OF 02 YAOUNDE 000682

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TAGS: [CM](#) [ECON](#) [ENRG](#) [EWWT](#) [PGOV](#) [PREL](#)  
SUBJECT: NEW ENERGY AND WATER MINISTER WANTS RESULTS

REF: A. YAOUNDE 591  
[B](#). YAOUNDE 590  
[C](#). 2007 YAOUNDE 1428

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[1](#). (SBU) Summary: On July 24, Ambassador paid a courtesy call on the new Minister of Energy and Water, Michael Ngako Tomdio, who came to his job in a June 30 cabinet shuffle. Clearly under pressure to produce results, he signaled a breakthrough on the impasse between AES-Sonel and aluminum producer ALUCAM over a new gas-fired power plant project. He was pleased to be signing a TDA-funded feasibility study of a hydropower plant and seemed eager to boost the energy sector and engage with the U.S. Water shortages would take longer to fix, especially in Yaounde, he said. End summary.

#### Minister Under Pressure to Advance Energy Development

[2](#). (SBU) Minister Tomdio told the Ambassador he has six months to produce results. Victor Mengot, Minister in Charge of Special Duties in the Presidency, joined the meeting and reinforced the sense of urgency, saying the next six months would be very busy. Note: The previous Minister of Energy and Water (MINEE by the French acronym) was reportedly replaced in the cabinet shuffle (ref a) because President Biya did not feel enough progress had been made in developing the energy sector. End Note.  
Initial Priorities

[3](#). (SBU) Minister Tomdio ticked off a list of familiar ideas needing attention in the energy sector, including the Lom Pangar dam project (central to Cameroon's energy strategy), increasing electricity production to make export possible to Chad and Nigeria, and increased natural gas exploration. On natural gas, he said Cameroon has more gas than Equatorial Guinea, but a major problem with storage capacity. He mentioned interest in the possibility of converting natural gas to cooking gas and sending it to the Northern Region. Progress on AES-Sonel Dispute with ALUCAM?

[4](#). (SBU) Ambassador raised the dispute on the price of power between the U.S.-led AES-Sonel power company and ALUCAM, the Rio Tinto/GRC-owned aluminum smelter (ref b). AES Sonel has been locked in a dispute with the government over the pricing structure of a planned gas-fired power plant at Kribi. Tomdio and Mengot both affirmed to the Ambassador that Anglo-French gas producer Perenco and Cameroon's National Hydrocarbons Company, SNH, had just signed a pricing agreement that should soon help break the deadlock in this project.

## Less Progress on Hydromine

15. (SBU) The Ambassador also asked Tomdio if he was aware of a problem brewing with American company Hydromine,s development plans in the energy sector (ref c). According to sources at Hydromine, Tomdio,s predecessor signed an agreement with a South African firm to study the development of a hydropower facility at Noun Wouri, a location Hydromine believed it had exclusive rights to study. Tomdio was not aware of the problem, or apparently Hydromine, saying only that "it,s a huge project, there,s enough to go around."

### Water Challenges

16. (SBU) When the Ambassador asked about his water strategy, Minister Tomdio responded that water shortages in Douala would be solved by November, thanks to an 80,000 cubic meter system built by the Chinese government. Tomdio said the project would help for the moment, but a second, 150,000 cubic meter phase was needed because of Douala,s population growth. Yaounde was more problematic for Tomdio, who said the Ministry would rehabilitate a facility at Mefou and eventually tap the massive Sanaga River. Cameroon relied heavily on donors in the water sector, the Minister said.

### Tomdio Laments Capacity

17. (SBU) When the Ambassador suggested the need to build up the private sector as key to energy and water strategies, Tomdio responded he came from the private sector where the mentality and attitude was completely different. He said he was trying to build some team spirit in his ministry. He noted the ministry has only 500 employees, but a capacity for 1200, and there have been no new recruitments since 1997. He lamented that "this budget contained very little money for training."

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## Comment

18. (SBU) On energy, Tomdio seems to realize his overriding responsibility must be project execution. Victor Mengot's presence seemed designed to signal seriousness from the top in the energy sector. If the AES Sonel dispute has been resolved, this would send a very positive signal that inertia is breaking. We will be talking to AES to see if they agree that the long-stalled gas project is getting back on track. Tomdio likes the U.S., visits frequently, and has several children studying there. He greatly appreciated TDA assistance but it remains to be seen whether he can mobilize his relatively small ministry to shift gears in the key energy sector. Challenges in the water sector are equally daunting, with almost a third of Douala's 3 million people lacking clean drinking water and persistent shortages in Yaounde.

### Bio

19. (U) Immediately before President Biya named him to MINEE, Tomdio served for 17 years as the General Manager of the relatively obscure National Office of Free Trade Zones. He has a background in education administration, serving as Director General of both the Douala University Center and the Higher Technical Teachers Training School. Early in his career, he was a lecturer at the Yaounde National Higher Polytechnic School. He is an electrical engineer with training in the U.S. and the UK. Tomdio is married with five children, several of whom study in the U.S. He has attended many Embassy business forums in the U.S. and is very familiar with U.S. government commercial services.

GARVEY